

V. J. ELMORE

5c 10c & 1.00 STORES, INC.

BIRMINGHAM, ALA.

FOUNDED 1925

Annual Report

JANUARY 29, 1955



Service



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PRESIDENT'S LETTER

To the stockholders:

March 15, 1955

I again have the privilege and responsibility of reporting to you relative to the operations and the current condition of your Company. In submitting this report, it has been our purpose to give a comprehensive picture of the operations during the year and the results therefrom in as concise manner as possible.

The balance sheet statement at January 29, 1955 and a statement of profit and loss for the fiscal year ending that date are included in the report. Reference to the profit and loss statement discloses a decrease in sales of \$252,346 as compared with the preceding year. Adverse farming conditions, as a result of drought, in areas served by our stores was the major contributing factor to this decrease. On a subsequent page there is set forth a chart relative to the sales dollars and how these dollars were used. We believe this will prove interesting and a source of information.

Net profit for the year was \$352,909. Dividends were paid in an amount believed to be in keeping with sound business policy and to permit a reasonable retention of funds for investing in additional stores, improvements of existing stores, and to provide a margin in case of reverses.

There are now sixty-three stores in operation. An additional unit was acquired September 15, 1954 by purchase of an operating store at Auburn, Alabama. This store is making reasonable progress. We have also leased a building at West Point, Georgia, and improvements are now being made there. We expect this store to be in operation May 15, 1955.

In order to improve the quality of our service and maintain our position in industry, of which we are a part, we are continuing our policy of modernization and improvement of existing stores. There are several remodelling jobs and air conditioning installations in process and contemplated. This is in addition to routine maintenance operations. It is the intention to take advantage of opportunities for expansion in the way of additional stores where suitable locations can be obtained and funds are available in keeping with the policy of our Company.

At the Annual Meeting last year the conversion of our North Birmingham, Alabama, store to a 100% self-service and check-out system was mentioned. This store appears to be operating satisfactorily, and we have also converted our Homewood, Alabama, store to a like operation. These changes have been made after careful study. They represent a departure from the conventional type physical setup of our stores, and therefore, prompt a conservative approach to such conversions. We are continuing a study of other stores operating under similar systems and the extent we progress in making such changes will depend upon these observations as well as our own experience. The West Point, Georgia, store previously mentioned is to be a complete self-service and check-out operation.

I again wish to make grateful acknowledgement to the personnel of our Company for their loyalty and efficient service. I wish to thank the Directors and Stockholders for their counsel. I feel that we have had a satisfactory year and continued to progress. As I have stated at previous Annual Meetings, the ability and integrity of those associated with our Company has accomplished this. I again wish to express my appreciation.

With best wishes to each of you, this report is respectfully submitted.

Mrs. V. J. Elmore

President

Manager and saleslady discuss selling merit of merchandise in order that V. J. Elmore customers will receive prompt service.

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OW OUR SALES DOLLARS WERE USED IN 1954

65.62%

Cost of goods sold and expenses

21.19%

Salaries and wages, employees' benefits

1.64%

Allowance for wear, obsolescence of fixtures and equipment, and repairs

6.67%

Taxes paid to Federal, State and City Government

1.89%

Dividends paid to stockholders for use of their money

2.99%

Earnings retained in the business for expansion and modernization



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OME OFFICE AND WAREHOUSE

10 SOUTH FOURTEENTH STREET
BIRMINGHAM, ALABAMA



Our home office building was completed on March 1, 1941, and with subsequent additions now contains 36,000 square feet of warehouse space on the ground floor. Executive and buying offices are located on the second floor with suites of offices arranged for each department. The entire office area is equipped with year-round air conditioning and fluorescent lighting.

ERNST & ERNST
ACCOUNTANTS AND AUDITORS
SYSTEM SERVICE

BIRMINGHAM

1314 FIRST NATIONAL BLDG.
DELIVERY ZONE 3

AKRON
ATLANTA
BALTIMORE
BIRMINGHAM
BOSTON
BUFFALO
CANTON
CHICAGO
CINCINNATI
CLEVELAND
COLUMBUS
DALLAS
DAYTON
DENVER
DETROIT
ERIE
FORT WORTH
GRAND RAPIDS
HOUSTON
INDIANAPOLIS
KALAMAZOO
KANSAS CITY
LOS ANGELES
LOUISVILLE
MEMPHIS
MIAMI
MILWAUKEE
MINNEAPOLIS

NEW ORLEANS
NEW YORK
PHILADELPHIA
PITTSBURGH
PORTLAND, ME.
PROVIDENCE
READING
RICHMOND
ROCHESTER
ST. LOUIS
ST. PAUL
SAN ANTONIO
SAN FRANCISCO
SEATTLE
TOLEDO
WASHINGTON
WINSTON-SALEM
YOUNGSTOWN

TORONTO, CANADA
CORRESPONDENT A
LONDON

"ERNSTAUDIT" N. Y.

Board of Directors
V. J. Elmore 5c, 10c and \$1.00 Stores, Inc.
Birmingham, Alabama

5c, 10c and \$1.00 Stores, Inc. We have examined the balance sheet of V. J. Elmore and the related statements of profit and loss and surplus for the fiscal year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statements of profit and loss and surplus present fairly the financial position of V. J. Elmore 5c, 10c and \$1.00 Stores, Inc., at January 29, 1955, and the results of its operations for the fiscal year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Ernst & Ernst

February 28, 1955

V. J. ELMORE

5¢-10¢ & \$1⁰⁰ STORES, INC.

ASSETS

January 29, 1955,

	January 29, 1955	January 31, 1954
CURRENT ASSETS		
Cash	\$ 823,072	\$ 943,772
United States Government securities— at cost plus interest accrued	\$ 700,602	\$531,680
Less federal and state taxes on income—estimated	387,000	425,000
Trade accounts receivable	313,602	106,680
	1,640	2,315
Merchandise inventories:		
At stores—at cost as determined by the retail in- ventory method	\$1,136,243	\$944,983
In warehouse—at lower of cost (first-in, first-out basis) or market	349,563	345,165
In transit—at cost	55,819	20,079
	1,541,625	1,310,227
TOTAL CURRENT ASSETS	\$2,679,939	\$2,362,994
INVESTMENTS AND OTHER ASSETS		
Marketable securities held in escrow—at cost and in- terest accrued	\$ 44,108	\$ 44,108
Other securities—at cost and interest accrued	9,327	6,623
Cash surrender value of life insurance	6,546	6,125
Sundry accounts receivable	1,988	795
	61,969	57,651
LAND, BUILDINGS, AND EQUIPMENT —at cost less allowances for depreciation and amortization		
Land	\$ 18,000	\$ 18,000
Office and warehouse building and paving	\$ 194,004	\$194,004
Fixtures and equipment	562,959	483,168
Automobiles and trucks	59,789	59,077
Improvements to leasehold	119,735	126,476
	\$ 936,487	\$862,725
Less allowances for depreciation and amortization	344,464	286,320
	\$ 592,023	\$576,405
	610,023	594,405
DEFERRED CHARGES		
Unexpired insurance	\$ 6,787	\$ 22,392
Supplies	6,656	13,443
	\$3,365,374	\$3,043,387

BALANCE SHEETS

LIABILITIES

and January 31, 1954

	January 29, 1955	January 31, 1954
CURRENT LIABILITIES		
Accounts payable and accrued expenses:		
Trade accounts.....	\$ 212,673	\$ 101,716
Salaries and bonuses.....	46,231	50,158
Pay roll taxes and taxes withheld from employees	15,546	12,286
Sales and retailers excise taxes.....	14,364	\$ 178,590
Federal and state taxes on income—estimated.....	\$ 387,000	\$ 425,000
Less United States Government securities.....	387,000	-0-
TOTAL CURRENT LIABILITIES.....	\$ 288,814	\$ 178,590
CAPITAL STOCK AND SURPLUS		
Capital stock:		
First preferred stock, par value \$100.00 a share (entitled to \$100.00 a share plus accumulated dividends upon liquidation):		
Authorized, 3,683 1/2 shares, issued and out- standing:		
830 shares of 7% cumulative.....	\$ 83,000	\$ 83,000
2,806 1/4 shares of 5% cumulative for 1955		
2,853 1/2 shares for 1954.....	280,625	285,350
	<u>\$ 363,625</u>	<u>\$ 368,350</u>
Common stock, Class "B"—no par value, stated value \$16 2/3 a share, dividends of \$1.00 a year cumulative, preferred over other common stock only as to dividends:		
Authorized, issued and outstanding		
6,000 shares.....	100,000	100,000
Common stock, Class "A"—no par value, stated values \$16 2/3 a share:		
Authorized, issued and outstanding 2,500 shares.....	41,667	41,667
	<u>\$ 505,292</u>	<u>\$ 510,017</u>
Capital surplus.....	16,235	16,235
Earned surplus.....	2,555,033	2,338,545
	<u>\$3,365,374</u>	<u>2,864,797</u>
		<u>\$3,043,387</u>

STATEMENTS OF PROFIT AND LOSS

Years ended January 29, 1955, and January 31, 1954

	Fiscal Year Ended		Increase Decrease*
	Jan. 29, 1955	Jan. 31, 1954	
Net sales	\$7,230,339	\$7,482,685	\$252,346*
Cost of goods sold	4,523,630	4,778,316	254,686*
	<u>\$2,706,709</u>	<u>\$2,704,369</u>	<u>\$ 2,340</u>
Selling and administrative expenses	2,073,221	2,096,817	23,596*
	<u>\$ 633,488</u>	<u>\$ 607,552</u>	<u>\$ 25,936</u>
Other income	105,364	127,215	21,851*
	<u>\$ 738,852</u>	<u>\$ 734,767</u>	<u>\$ 4,085</u>
Other deductions	403	1,628	1,225*
PROFIT BEFORE TAXES ON INCOME	\$ 738,449	\$ 733,139	\$ 5,310
Taxes on income:			
Provision for the year—estimated:			
Federal normal income tax and surtax	\$ 374,200	\$ 372,500	\$ 1,700
Federal excess profits tax	-0-	41,000	41,000*
State income taxes	12,800	11,500	1,300
Overprovision for prior years	1,460*	5,888*	4,428
TOTAL TAXES ON INCOME	\$ 385,540	\$ 419,112	\$ 33,572*
NET PROFIT	\$ 352,909	\$ 314,027	\$ 38,882

Provision for depreciation and amortization included above:

1955 — \$86,177; 1954 — \$71,637.

*Indicates red figures.

STATEMENTS OF SURPLUS

	Fiscal Year Ended		Increase Decrease*
	Jan. 29, 1955	Jan. 31, 1954	
CAPITAL SURPLUS			
Balance at beginning of year	\$ 16,235	\$ 15,266	\$ 969
Proceeds from sale of capital stock in excess of its stated value	-0-	969	969*
Balance at end of year	<u>\$ 16,235</u>	<u>\$ 16,235</u>	<u>\$ -0-</u>
EARNED SURPLUS			
Balance at beginning of year	\$2,338,545	\$2,161,096	\$177,449
Add net profit for the year	352,909	314,027	38,882
	<u>\$2,691,454</u>	<u>\$2,475,123</u>	<u>\$216,331</u>
Deduct:			
Cash dividends paid:			
On 7% preferred stock (\$7.00 a share)	\$ 5,810	\$ 5,810	\$ -0-
On 5% preferred stock (\$5.00 a share)	14,031	14,268	237*
On Class "A" common stock (\$25.00 a share)	62,500	62,500	-0-
On Class "B" common stock (\$9.00 a share)	54,000	54,000	-0-
	<u>\$ 136,341</u>	<u>\$ 136,578</u>	<u>\$ 237*</u>
Excess of cost of 47 1/4 shares of 5% cumulative preferred stock acquired over par value thereof	80	-0-	80
	<u>\$ 136,421</u>	<u>\$ 136,578</u>	<u>\$ 157*</u>
Balance at end of year	<u>\$2,555,033</u>	<u>\$2,338,545</u>	<u>\$216,488</u>

* Indicates red figures.

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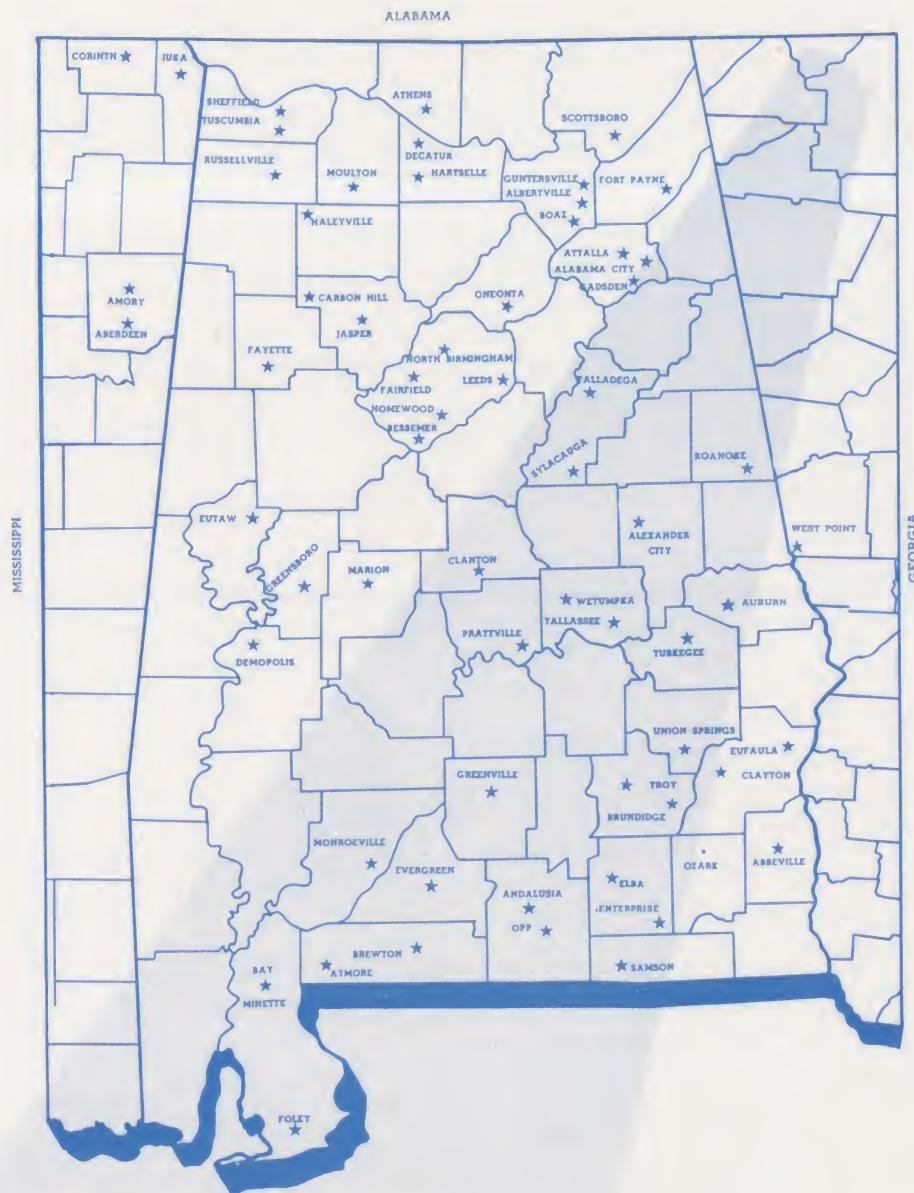
V. J. ELMORE

5¢-10¢ & \$1⁰⁰ STORES, INC.

SALES 1926 - 1954

Year	Stores At Year End	Sales
1954	63	\$7,230,339
1953	62	\$7,482,684
1952	61	\$7,246,459
1951	61	\$7,445,561
1950	59	\$6,286,093
1949	56	\$5,406,258
1948	52	\$5,357,138
1947	51	\$4,495,263
1946	50	\$4,439,249
1945	49	\$3,788,035
1944	46	\$3,468,410
1943	46	\$3,512,583
1942	44	\$2,739,960
1941	43	\$2,198,361
1940	36	\$1,499,683
1939	31	\$1,411,496
1938	31	\$1,241,258
1937	29	\$1,095,639
1936	24	\$1,010,756
1935	20	\$659,350
1934	13	\$478,953
1933	9	\$297,601
1932	6	\$175,100
1931	5	\$155,548
1930	5	\$149,669
1929	5	\$140,976
1928	3	\$84,436
1927	2	\$57,881
1926	1	\$32,794

Courteous and friendly service is present in V. J. Elmore stores located in Mississippi, Alabama and Georgia.





V. J. ELMORE

STORES AND MANAGERS

For January 29, 1955

Date Opened	Town	Manager	Date Opened	Town	Manager
1925	Clanton, Ala.	J. C. Parr	1940	Monroeville, Ala.	J. F. Wade
1927	Jasper, Ala.	G. R. Dunlap	1940	North Birmingham, Ala.	J. D. Cleere
1928	Wetumpka, Ala.	R. M. Martin	1940	Aberdeen, Miss.	J. M. Logan
1929	Haleyville, Ala.	J. D. Northcutt	1940	Amory, Miss.	J. O. Ferrell
1929	Russellville, Ala.	C. J. Boothe	1941	Guntersville, Ala.	T. L. Grainger
1932	Alexander City, Ala.	J. W. Plyler	1941	Eutaw, Ala.	J. L. Davis
1932	Hartselle, Ala.	P. C. Thomas	1941	Tuscumbia, Ala.	Mrs. Eunice Wilkerson
1932	Athens, Ala.	M. L. Ward	1941	Sylacauga, Ala.	Jasper T. King
1933	Andalusia, Ala.	H. R. Hutson	1941	Scottsboro, Ala.	L. B. Wallace
1934	Tuskegee, Ala.	Wm. Murner, Jr.	1941	Fayette, Ala.	J. D. Estes
1934	Marion, Ala.	J. T. Rinehart	1941	Decatur, Ala.	F. I. Manker
1934	Demopolis, Ala.	J. E. Pullen	1942	Fairfield, Ala.	R. H. Wilks
1934	Greenville, Ala.	J. T. King	1943	Ozark, Ala.	Willie Morrow
1935	Union Springs, Ala.	Geo. McCluney	1943	Ozark, Ala.	Cecil Cook
1935	Samson, Ala.	Wesley Bowen	1943	Abbeville, Ala.	Miss Frances Head
1935	Prattville, Ala.	J. C. Thompson, Jr.	1945	Attalla, Ala.	Newell LaFayette
1935	Troy, Ala.	F. S. Alsup	1945	Carbon Hill, Ala.	Mrs. Edith R. Rutledge
1935	Eufaula, Ala.	O. M. Partain	1945	Iuka, Miss.	H. L. Brom
1935	Atmore, Ala.	F. B. Littleton	1946	Tallassee, Ala.	W. G. Baggett
1935	Bay Minette, Ala.	J. F. Rain	1947	Homewood, Ala.	H. S. Hayne
1936	Brundidge, Ala.	Mrs. Elizabeth Carter	1948	Moulton, Ala.	J. H. Reynolds
1936	Clayton, Ala.	W. L. Speaks	1949	Enterprise, Ala.	K. P. Morris
1936	Evergreen, Ala.	J. S. Livengood	1949	Foley, Ala.	Cranston Teague
1936	Brewton, Ala.	C. O. McAlister	1950	Leeds, Ala.	Billy C. Barefield
1937	Albertville, Ala.	J. D. Henry	1950	Gadsden, Ala.	C. W. Hackett
1937	Oneonta, Ala.	O. O. Fowler	1950	Elba, Ala.	Xemon Hill
1937	Greensboro, Ala.	O. E. Floyd	1950	Bessemer, Ala.	J. C. Macon
1937	Boaz, Ala.	W. H. Dixon	1951	Sheffield, Ala.	O. G. Hargett
1937	Opp, Ala.	H. D. Rooks	1951	Corinth, Miss.	M. A. Brom
1938	Fort Payne, Ala.	G. R. Rinehart, Jr.	1953	Roanoke, Ala.	J. M. McGill
1938	Alabama City, Ala.	H. P. Collins	1954	Auburn, Ala.	W. G. Swann
1940	Talladega, Ala.	W. T. Camp	1955	West Point, Ga.	Dalton Gentry

DIRECTORS

MRS. V. J. ELMORE
President
Birmingham, Alabama

G. F. PARR
Vice President, Budgeting
Birmingham, Alabama

JOHN W. POWERS, JR.
Vice President, Real Estate
Birmingham, Alabama

W. F. RAINER
Chairman of the Board
Birmingham, Alabama

GRADY REYNOLDS
Reynolds & Reynolds, Attorneys
Clanton, Alabama

W. A. WILLIS, JR.
Secretary and Treasurer
Birmingham, Alabama

OFFICERS

MRS. V. J. ELMORE	<i>President</i>
W. F. RAINER	<i>Chairman of the Board</i>
G. F. PARR	<i>Vice President, Budgeting</i>
JOHN W. POWERS, JR.	<i>Vice President, Real Estate</i>
W. A. WILLIS, JR.	<i>Secretary and Treasurer</i>
C. O. HESTER	<i>Assistant Secretary and Merchandise Manager</i>
R. N. HALES	<i>Assistant Secretary and Sales Manager</i>

OTHER EXECUTIVES

J. R. MCRAE, <i>Supervisor</i>	L. T. CRENSHAW, <i>Buyer</i>	C. A. MCSPADDEN, <i>Assistant Manager</i> <i>Real Estate Department</i>
C. H. SWEATT, <i>Supervisor</i>	J. D. LIETCH, <i>Buyer</i>	T. C. CASADAY, <i>Editor</i> <i>Company Publication and</i> <i>Service Department</i>
W. W. WHITTLE, <i>Supervisor</i>	J. D. ROBINSON, <i>Buyer</i>	



V. J. E L M O R E

5¢-10¢ & \$1.00 STORES, INC.